

NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
LUMBER AND TIMBER
PRODUCTS INDUSTRY

AS APPROVED ON JULY 16, 1934

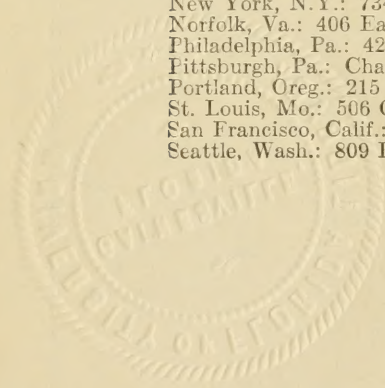


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AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

LUMBER AND TIMBER PRODUCTS INDUSTRY

As Approved on July 16, 1934

ORDER

APPROVING AMENDMENT OF CODE OF FAIR COMPETITION FOR THE
LUMBER AND TIMBER PRODUCTS INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to the Code of Fair Competition for the Lumber and Timber Products Industries, and an opportunity to be heard thereon having been duly afforded to all interested parties and the annexed report on said amendment, containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order 6543-A, dated December 30, 1933, and otherwise, do hereby incorporate by reference, said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended, such approval and such amendment to take effect on the date hereof, provided that such approval and such amendment may be suspended or modified by the Administrator upon good cause shown to the Administrator by any interested party within fifteen (15) days from the date hereof.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D.C.,
July 16, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: Under the Code of Fair Competition for the Lumber and Timber Products Industries, as approved by you on August 19, 1933, the Lumber Code Authority has submitted their amendment No. 79, which is included and attached.

This amendment makes certain changes in Article IX of the Code whereby when the Code Authority determines, or when the Administrator so determines on his own initiative that an emergency exists in the industry, which endangers the maintenance of the purposes and provisions of the Code or of the Act, the Administrator may thereupon declare such an emergency to exist, and may determine the reasonable cost of items classified under the Code.

While a Public Hearing has not been held, due to the fact that an emergency exists and time does not permit, it should be noted that the provisions of this amendment do not depart from the policies established and published by the National Recovery Administration, nor is the general purpose of Article IX changed. The public generally is informed of the conditions existing in the lumber and timber products industries through releases of the N.R.A. and the Lumber Code Authority and its Divisional Administrative Agencies. Although the Order is effective immediately upon approval, an adequate safeguard has been provided through publishing a fifteen (15) day Notice of Opportunity to be Heard in connection therewith by any interested persons who object to the provisions of the amendment. The amendment may remain effective either in its present form or may be modified as a result of objections or suggestions submitted with supporting facts.

The Deputy Administrator in his final report to me on said amendment to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendment to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restrictions of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products

through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation Subsection (a) of Section 3, Subsection (a) of Section 7, and Subsection (b) of Section 10 thereof.

(c) The Code empowers the Code Authority to present the aforesaid amendment on behalf of the industry as a whole.

(d) The amendment and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(e) The amendment and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(f) Those engaged in other steps of the economic process have not been deprived of the right to be heard.

For these reasons, therefore, I have approved this amendment to the Code.

Respectfully,

HUGH S. JOHNSON,
Administrator.

JULY 16, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE LUMBER AND TIMBER PRODUCTS INDUSTRY

AMENDMENT No. 79

Amend Article IX by striking therefrom Sections (a), (b), (c), (d), (g), (i) and (j), and substitute therefor the following:

"SECTION (a). (1). Whenever the Code Authority determines that an emergency exists in the Industries or in any division or subdivision of the Industries, such as to render ineffective or to seriously endanger the maintenance of the purposes and provisions of this Code or of the Act, and the Code Authority certifies its conclusions based on such determinations to the Administrator, or the Administrator determines on his own initiative, that an emergency exists as herein set forth, the Administrator may thereupon declare such an emergency to exist.

"(2). Thereupon, upon application of the Code Authority, and if he shall find that it is necessary to the maintenance of the purposes and provisions of this Code or of the Act that reasonable costs of items and classifications of lumber and timber products and rules and regulations for the application thereof, be determined and established by him during the period of that emergency, the Administrator may determine or cause to be determined in accordance with such rules and regulations as he may prescribe, the f.o.b. mill and/or delivered reasonable cost of any or all items and classifications of lumber and timber products and rules and regulations for the application thereof. Notice of such reasonable cost and such rules and regulations, when determined as aforesaid, shall be given to the industries in such reasonable manner as the Administrator may direct, provided that for any species such costs for the respective grades and items shall be in reasonable proportion to the market prices of such grades and items during a representative period, provided further, that the reasonable cost of any item or classification of said products shall not be established unless and until reasonable costs are at the same time established for such other items or classifications of lumber and timber products as are sold or offered for sale, in competition therewith: Provided, further, that in determining said reasonable costs, the Administrator shall make provision for equitable differentials within specified limitations for products below accepted standards of quality, such as the products of some small mills or for the purpose of securing the equitable application of such reasonable costs, and provided further, that said reasonable costs shall be established with due regard to the maintenance of free competition among species, divisions and subdivisions, and with the products of other industries and other countries.

"(3) Thereafter, during the period of the emergency and until the Administrator shall have declared that said emergency has

ceased to exist, such reasonable costs and such rules and regulations for the application thereof shall constitute the minimum prices for such items and classifications of lumber and timber products for which such costs and rules and regulations have been determined and no person subject to the jurisdiction of this Code shall sell or offer to sell or otherwise dispose of any product of the industries for which such reasonable costs and rules and regulations for the application thereof have been determined as hereinabove set forth, at a price less than such reasonable cost so established, or otherwise than in accordance with such rules and regulations.

“(4). During the period of the emergency, any determination of reasonable cost and any rules and regulations for the application thereof, may upon application of the Code Authority or upon the Administrator’s own initiative, be revised from time to time at reasonable intervals or suspended as changes in circumstances or experience may indicate; and, if the Code Authority shall determine and so certify to the Administrator that the application of reasonable costs and rules and regulations applicable thereto result in injustice, inequality, unjust discrimination, or unfair competition within the lumber and timber products industries, thereupon unless such determination shall have been arbitrary, capricious, or based upon no substantial evidence, the said reasonable costs and rules and regulations applicable thereto shall be forthwith suspended by the Administrator, said suspension to be effective five (5) days after the filing of said certificate by the Code Authority.

“(5). Not later than December 1, 1934, the Code Authority shall submit to the Administrator its recommendations for such amendments of the provisions of this Article as it deems necessary to effectuate the purposes of the Act, and the Administrator shall, after due notice and public hearing, review and reconsider the provisions of this Article and the recommendations of the Code Authority.”

Renumber Sections (e), (f), and (h) to become sections (b), (c), and (d), respectively, and delete the first sentence of section (e).

Approved Code No. 9—Amendment No. 15.
Registry No. 313-1-06.



